



SEAPORT

NORTH CENTRAL IDAHO: CLEARWATER, IDAHO, LATAH, LEWIS, & NEZ PERCE COUNTIES

EMPLOYMENT TRENDS

Seaport's seasonally adjusted unemployment rate in October decreased to 4.5 percent from September's rate of 4.8 percent. In October of 2002 the rate was 4.6 percent. Along with the decrease in the unemployment rate, *Nonfarm Payroll Jobs* increased slightly—by 80—in October. Year-over-year, however, there was a significant decrease of 820 jobs. The October 2003 rise in the number of jobs was mainly a result of increases in *Construction* and *Other Services (Private Households)*; however, the increase was slight. Holiday hiring has slowed this year with an increase of only 40 jobs in *Trade, Transportation & Utilities* from October 2002.

SPECIAL TOPIC:

"Think like a Region"

In November, an economic summit was held in Lewiston with business and economic representatives from eight counties of North Central Idaho and Southeastern Washington. The Idaho counties represented were Clearwater, Idaho, Latah, Lewis and Nez Perce. The Washington counties were Asotin, Garfield and Whitman. The goal of the summit was to think like a region and to plan for the future. If communities and regions want to protect themselves against losing jobs to global markets, they need to strengthen their local businesses was the message from one speaker, Michael Shuman, author of "Going Local: Creating Self Reliant Communities." Shuman said that cities, counties, and regions have responded to economic development in one of two ways. Some try to get a Toyota plant in their state. Others pour resources into export industries. Shuman believes those responses are misguided. He advocates that regions conduct surveys to identify what kinds of products their residents are buying out of state. Then they should find ways to keep that business at home. Locally owned businesses make better corporate citizens, Shuman said. Shuman's ideas were similar to those presented by at least one other speaker at the conference, Barry Ramsey, who runs D8 Inc. near Potlatch.

Seaport Table 1: Labor Force & Employment
Nez Perce County, Idaho and Asotin County, Washington

	Oct 2003*	Sept 2003	Oct 2002	% Change From	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
Seasonally Adjusted					
Civilian Labor Force	35,190	35,760	34,570	-1.6	1.8
Unemployment	1,570	1,730	1,580	-9.2	-0.6
% of Labor Force Unemployed	4.5	4.8	4.6		
Total Employment	33,620	34,030	32,990	-1.2	1.9
Unadjusted					
Civilian Labor Force	34,790	35,200	34,300	-1.2	1.4
Unemployment	1,340	1,320	1,340	1.5	0.0
% of Labor Force Unemployed	3.9	3.8	3.9		
Total Employment	33,450	33,880	32,960	-1.3	1.5
JOBS BY PLACE OF WORK					
Nonfarm Payroll Jobs** - NAICS	26,500	26,520	27,420	0.3	-3.0
Goods-Producing Industries	4,370	4,470	4,520	-2.2	-3.3
Natural Resources & Mining	200	170	210	17.6	-4.8
Construction	1,000	1,020	1,150	-2.0	-13.0
Manufacturing	3,170	3,280	3,160	-3.4	0.3
Wood Product Manufacturing	540	550	550	-1.8	-1.8
Food Manufacturing	60	100	90	-40.0	-33.3
Paper Manufacturing	1,220	1,220	1,180	0.0	3.4
Other Manufacturing	1,350	1,410	1,340	-4.3	0.7
Service-Providing Industries	22,130	22,050	22,900	0.4	-3.4
Trade, Transportation & Utilities	5,620	5,550	5,480	1.3	2.6
Wholesale Trade	650	630	650	3.2	0.0
Retail Trade	3,660	3,640	3,530	0.5	3.7
Utilities	90	90	90	0.0	0.0
Transportation & Warehousing	1,220	1,190	1,210	2.5	0.8
Information	370	370	380	0.0	-2.6
Financial Activities	1,610	1,610	1,810	0.0	-11.0
Professional & Business Services	1,380	1,380	1,530	0.0	-9.8
Education & Health Services	3,780	3,780	3,900	0.0	-3.1
Leisure & Hospitality	2,600	2,630	2,680	-1.1	-3.0
Other Services	1,160	1,070	1,120	8.4	3.6
Government Education	2,190	2,230	2,450	-1.8	-10.6
Government Administration	2,550	2,560	2,650	-0.4	-3.8
Government Tribes	870	870	900	0.0	-3.3

*Preliminary Estimate

**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

His company makes molds for other factories and employs 40 workers. Running a business gets more difficult as his customers move plants overseas, Ramsey said. In addition, he said he wished economic development professionals would focus more of their energy nurturing business already located in the area rather than seek relocations of large companies from outside the region.

AREA DEVELOPMENTS

Clearwater County

- Seismic Tech, a subsidiary of Plumber One in Carson, California, delayed starting operations in October as originally planned because

some of their new equipment didn't test out to specifications and were sent back to suppliers. This delay, while frustrating to all, is necessary to insure a successful operation. "We have hit some minor speed bumps along the way and the anticipation for hiring is our anxiously awaited goal," stated Jerry Volyn, manager of the Seismic Tech facility located in Orofino's new Business Center. The company will manufacture hand-assembled, individually tested earthquake activated shut-off valves for home and commercial gas pipes. The company plans to employ 100 to 150 workers in the next two years, including assemblers and production managers.

Idaho & Lewis Counties

- It's been 45 years since passengers peered out the windows of a train as it weaved its way down the mountain from Reubens to Culdesac. The six tunnels hollowed through the rock canyon walls have seen few people, other than those on foot, since. But locals and tourists alike will soon be able to take in the rail line across the Camas Prairie as O-Ya Adventures gears up for its inaugural passenger trip shortly after the first of the year. The tourist company has teamed up with BG&CM Railroad to add tourism to a line that soon will be open to freight. The rail trip will be an extension of the tour business O-Ya Adventures is establishing, which offers Lewis and Clark trips as well as general history tours of the area on the roadways. The company plans to use 15-passenger vans with hi-rail capability to take people on the line. Eventually the company hopes to upgrade to a larger bus and then to a self-propelled rail car.

Latah County

- The Pullman-Moscow Regional Airport Board is looking closely at alternative plans that could lead to a new business development park at the airport by the end of this decade. Although six plans are on the table, the preference at an early assessment is one that would move, lengthen, and realign the airport runway and create a 150-acre commercial-industrial park south of the present passenger terminal. The plan could cost up to \$50 million. If approved, the Federal Aviation Administration would cover up to 90 percent of the capital investment costs. That means local units of government and other parties of interest would have to raise up to \$5 million for the project. According to a past study, the airport currently provides \$18 million a year in economic benefit to the Moscow-Pullman area.

Nez Perce and Asotin Counties

- If all goes as planned, the Asotin County aquatics center should open in the summer of 2004 on Dustan Loop in Clarkston. The outdoor water park will feature three slides, a wave pool, a lazy river, and an adventure pool. The indoor complex will include an eight-lane competition pool, a warm water pool, and

a whirlpool. The entire project is expected to cost about \$9.4 million. Asotin County taxpayers are footing \$6.72 million of the bill and fundraisers have been scrambling to come up with the rest of the funding since the levy was passed last year. Boddell Construction of Missoula, Montana, was awarded the construction contract. Boddell's base bid came in at \$6.65 million. Groundbreaking for the project is scheduled to begin early in November.

- Company officials at munitions manufacturer ATK-CCI/Speer announced the layoff of 20 workers in October in Lewiston. Ken Dolph, vice president of the company formerly known as Blount, categorized the layoffs as part of a "normal business fluctuation" that "required a small adjustment." The layoffs were in the manufacturing division of the company, Dolph said. The ATK-CCI/Speer Lewiston operation employs about 650 people, and manufactures bullets, primers, and ammunition. The Lewiston operation is a division of ATK, which is headquartered in Edina, Minnesota. This round of layoffs follows the company's cut of about a dozen workers earlier this year, Dolph said. The laid off employees have been placed on the company's recall list, according to Dolph. "As positions open up they will be eligible for recall," he said.
- Potlatch Corporation. has reported a profit for the second quarter in a row following three years of losses. "The primary reason for earnings being up for the third quarter and the first nine months of 2003 is we have seen very high prices for wood products," said Michael D. Sullivan, Potlatch's corporate spokesman in October. The company reported third quarter 2003 earnings of \$22.2 million, compared with a loss of \$10.4 million for the same period in 2002. Net sales for the third quarter this year were \$400.3 million, almost a 23 percent increase over the \$326.5 million recorded in the third quarter of 2002. Several things contributed to the upturn in wood products sales in the last quarter, Sullivan said. Housing construction has been strong for several years and about three-fourths of new homes use oriented strand board (OSB). When OSB prices began to climb, buyers who were accustomed to lower prices held off restocking. They held off too long, Sullivan said, and when demand created shortages in their inventories, there was a sudden rush at the start of the second quarter to buy. "As a result, prices escalated quickly." Bad weather and fires in British Columbia also affected timber harvests, so there was a reduction in production at the same time that demands were high.

Doug Tweedy, Regional Labor Economist
 1158 Idaho Street, Lewiston, ID 83501
 (208) 799-5000 ext. 3511
 E-mail: dtweedy@jobservice.us